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EXAMINER

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte RONALD DICKE and GORDON FREEDMAN

Appeal 2015-001204
Application 13/160,910¹
Technology Center 3600

Before ANTON W. FETTING, JAMES A. WORTH, and
BRUCE T. WIEDER, *Administrative Patent Judges*.

WIEDER, *Administrative Patent Judge*.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the final rejection of claims 1–17 and 19–24.² We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

CLAIMED SUBJECT MATTER

Appellants’ claimed “invention relates generally to digital books or e-books, and more particularly to a method and system for sharing access,

¹ According to Appellants, the real parties in interest are Gordon Freedman and Ron Dicke. (Appeal Br. 3.)

² Claim 18 was cancelled subsequent to the issuance of the Final Action. (See Advisory Action mailed June 26, 2014.)

between a plurality of different users, to a borrowed e-book having a single lending license associated therewith.” (Spec. ¶ 1.)

Claims 1, 10, and 23 are the independent claims on appeal. Claim 1 is illustrative. It recites:

1. A method comprising:
 - providing an e-book lending library comprising a plurality of e-books;
 - providing from the e-book lending library to an electronic device associated with a first user, via a communication network disposed therebetween, an e-book and an e-book lending license that is valid for a predetermined loan period;
 - receiving from the first user via the communication network an indication of a time block during the loan period and other than including an end of the loan period, during which time block the first user agrees to relinquish the lending license;
 - disabling the first user’s access to the e-book at a start of the time block;
 - assigning the lending license to a different user during the time block; and,
 - enabling the first user’s access to the e-book at an end of the time block.

REJECTIONS

Claims 1–17 and 19–24 are rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter.

Claim 5 is rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which the inventors regard as the invention.

Claims 1–17 and 19–24 are rejected under 35 U.S.C. § 103(a) as unpatentable over Cole (US 2007/0255580 A1, pub. Nov. 1, 2007) and Mandelbaum (WO 2011/049999 A1, pub. Apr. 28, 2011).

ANALYSIS

The § 101 rejection

In the Answer, the Examiner enters a new ground of rejection under § 101 “because the claimed invention is directed to non-statutory subject matter because the claims as a whole, considering all claim elements both individually and in combination, do not amount to significantly more than an abstract idea.” (Answer 3.) Specifically, the Examiner determines that “[t]he claims are directed to the abstract idea of providing access to a book via a license wherein a user may lend his/her license to another user for a specified period of time, which is considered to be simply a method of organizing human activities.” (*Id.*) The Examiner also determines that “[t]he additional elements or combination of elements in the claims other than the abstract idea per se amounts to no more than: mere instructions to implement the idea on a computer.” (*Id.*)

Appellants disagree and argue that “the claim requires an e-book lending library, which cannot be achieved through mere human behavior. Further enabling and disabling of access is not achieved through mere human behavior as a communication network is presented.” (Reply Br. 3.)

After the Appeal Brief was filed in this case, the Supreme Court decided *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347 (2014). *Alice* applies a two-part framework, earlier set out in *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289 (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Alice Corp.*, 134 S. Ct. at 2355.

Under the two-part framework, it must first be determined if “the claims at issue are directed to a patent-ineligible concept.” *Id.* If the claims are determined to be directed to a patent-ineligible concept, then the second part of the framework is applied. “We have described step two of this analysis as a search for an ‘inventive concept’ — *i.e.*, an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.’” *Id.* (brackets in original).

With regard to the first part of the framework, we agree with the Examiner that the claims are directed to providing access to a book in a lending library. (*See* Claim 1.) In particular, the claims are directed to allowing a user access to an e-book, *i.e.*, an electronic file. Claim 1 recites six steps for providing such access. The claimed “ordered combination of steps recites an abstraction — an idea, having no particular concrete or tangible form.” *See Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014). In short, the concept embodied by the claims simply describes the abstract idea of providing restricted access to an electronic file, *i.e.*, allowing a user access to an electronic file (e-book), restricting that access, allowing another user access, and then allowing the first user access. Courts have treated claims directed to similar subject matter as directed to an abstract idea. *See id.* at 714–15. We are not persuaded that these claims should be considered otherwise.

We now apply the second part of the framework to determine if “the elements of the claim . . . contain[] an ‘inventive concept’ sufficient to ‘transform’ the claimed abstract idea into a patent-eligible application.” *Alice Corp.*, 134 S. Ct. at 2357 (citing *Mayo*, 132 S. Ct. at 1294, 1298).

However, the claims here simply apply this abstract idea “via a communication network.”

The introduction of a generic computer communication network, like the use of a generic computer itself, does not alter the analysis at step two.

[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention. Stating an abstract idea “while adding the words ‘apply it’” is not enough for patent eligibility. Nor is limiting the use of an abstract idea “to a particular technological environment.” Stating an abstract idea while adding the words “apply it with a computer” simply combines those two steps, with the same deficient result. Thus, if a patent’s recitation of a computer amounts to a mere instruction to “implemen[t]” an abstract idea “on . . . a computer,” that addition cannot impart patent eligibility. This conclusion accords with the pre-emption concern that undergirds our §101 jurisprudence. Given the ubiquity of computers, wholly generic computer implementation is not generally the sort of “additional featur[e]” that provides any “practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.”

Alice Corp., 134 S. Ct. at 2358 (citations omitted).

“[T]he relevant question is whether the claims here do more than simply instruct the practitioner to implement the abstract idea . . . on a generic computer.” *Id.* at 2359. They do not. Taking the claim elements separately, the function performed by the computer network at each step of the process is purely conventional and adds no inventive concept. Nor do the claims offer detail about the computer or the network. In short, the claim steps/limitations do no more than require a generic computer network to perform generic computer network functions.

Considered as an ordered combination, the computer network components of Appellants’ method add nothing that is not already present

when the steps are considered separately. Viewed as a whole, Appellants' claims simply recite the concept of providing restricted access to an electronic file, as performed via a generic computer network. The claims do not, for example, purport to improve the functioning of a computer or network. Nor do they effect an improvement in any other technology or technical field. Instead, the claims at issue amount to nothing significantly more than an instruction to apply the abstract idea of providing restricted access to an electronic file using an unspecified, generic computer communication network. That is not enough to transform an abstract idea into a patent-eligible invention. *See id.* at 2360. Therefore, we are not persuaded that the Examiner erred in rejecting claims 1–17 and 19–24 under § 101.

The § 112, second paragraph, rejection

Claim 5 recites: “A method according to claim 2, comprising updating time slicing data that is stored local to the e-book lending library, to include the time block in a list of available time blocks associated with the e-book.”

The Examiner rejects claim 5 under § 112, second paragraph, because “it is unclear what is considered to be ‘local’ to the e-book lending library.” (Final Action 2.) The Examiner explains that “[i]t is unclear [if] the time slicing data is stored in the e-book library or if it is stored outside of the e-book library.” (Answer 4.)

Appellants reply that “[l]ocal vs. remote are well understood concepts in computer communications and one of skill in the art can determine where

something is stored and then determine if it is local.” (Reply Br. 3; *see also* Appeal Br. 7.)

It is unclear from Appellants’ response if, e.g., to be “local to the e-book library,” the data must be stored in the e-book library itself. Rather, and without explanation, Appellants simply assert that one of ordinary skill in the art would understand the concepts of “[l]ocal vs. remote.” (*See* Reply Br. 3.)

The Federal Circuit has stated that

when the USPTO has initially issued a well-grounded rejection that identifies ways in which language in a claim is ambiguous, vague, incoherent, opaque, or otherwise unclear in describing and defining the claimed invention, and thereafter the applicant fails to provide a satisfactory response, the USPTO can properly reject the claim as failing to meet the statutory requirements of § 112(b).^{3]}

In re Packard, 751 F.3d 1307, 1311 (Fed. Cir. 2014). In this case, the Examiner presents a well-grounded rejection identifying why this claim language is unclear in this context. Appellants have not persuaded us that the Examiner erred in rejecting claim 5 under § 112, second paragraph.

The § 103 rejection

The Examiner finds that Cole discloses “providing an e-book lending library” and “providing from the e-book lending library . . . an e-book and an e-book lending license that is valid for a predetermined loan period.” (Final Action 4.) The Examiner also finds that Cole does not “disclose the concept of a first user relinquishing access to the e-book for a specific time block and

³ Formerly, § 112, second paragraph.

providing access to the e-book to another user for the specific time block.”

(*Id.*) However, the Examiner finds that

Mandelbaum discloses a system and method for consumer-to-consumer lending of digital content with the concept of receiving from the first user via the communication network an indication of a time block during the loan [sic] period and other than including an end of the loan period, during which time block the first user agrees to relinquish the lending license.

(*Id.*)

The Examiner then determines that

from the teaching of Mandelbaum, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the lending method and system of Cole et al. to include the known concept of a first user relinquishing access to the e-book for a specific time block and providing access to the e-book to another user for the specific time block as taught by Mandelbaum.

(*Id.* at 5.)

Appellants argue that there is a lack of motivation to combine Cole and Mandelbaum. Appellants further argue

that Cole and Mandelbaum BOTH teach identical subject matter of an owner lending content for a contiguous period of time to a borrower. The main difference between the references appears to be who the owner is - institution or individual. Neither reference discloses lending of a borrowed digital book. Further, neither reference teaches lending for noncontiguous blocks of time.

(Appeal Br. 9.) Additionally, Appellants argue, the Examiner errs in finding “that Mandelbaum teaches receiving from a user a ‘time block during the loan period.” (Reply Br. 5.) Specifically, Appellants argue that “Mandelbaum addresses an OWNER of an e-book lending it to another user.

In Mandelbaum there is no teaching of a borrower of an e-book re-lending that borrowed e-book.” (*Id.*)

Cole discloses “[a] lending system for lending an econtent item compris[ing] a library server having a processor and a number of databases.” (Cole, Abstract.) Mandelbaum discloses “[a] consumer-to-consumer lending system and method for digital content such as digital ebooks[.] The lending system enables users who have purchased digital content to lend that content to another user.” (Mandelbaum, Abstract.) Neither reference discloses lending an already borrowed e-book. Moreover, because Mandelbaum relates to the owner of an e-book lending that e-book, there is no “loan period” corresponding to the owner’s rights in the e-book. Therefore, we agree with Appellants that the Examiner erred in finding that Mandelbaum discloses lending the e-book “during the load [sic] period and other than including an end of the loan period.” (*See* Final Action 4.)

Additionally, the Examiner does not indicate why it would have been obvious to combine the references as proposed by the Examiner. *See In re NuVasive, Inc.*, 842 F.3d 1376, 1383 (Fed. Cir. 2016). Thus, it is unclear if the Examiner relied on this erroneous finding in making the obviousness determination.

The Supreme Court in *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398 (2007), explained that, “because inventions in most, if not all, instances rely upon building blocks long since uncovered, and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known,” “it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does.” *Id.* at 418–19. The required “expansive and flexible approach,” *id.* at 415, may look at a variety of facts, including prior-art teachings

and marketplace demands and artisans' background knowledge, "in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue," *id.* at 418; *see also id.* at 420–421. The Supreme Court added: "To facilitate review, this analysis should be made explicit." *Id.* at 418. We have repeatedly applied those requirements in reviewing the adequacy of the Board's obviousness analysis, noting that the amount of explanation needed will vary from case to case, depending on the complexity of the matter and the issues raised in the record. *See NuVasive*, 842 F.3d at 1381–82; *Arios*, 805 F.3d at 1364–66; *In re Lee*, 277 F.3d 1338, 1343 (Fed. Cir. 2002).

Personal Web Techs., LLC v. Apple, Inc., 848 F.3d 987, 991–92 (Fed. Cir. 2017).

In view of the above, and because the Examiner did not make explicit the apparent reason to combine the references, we will reverse the rejection of claim 1. Independent claims 10 and 23, and dependent claims 2–9, 11–17, 19–22, and 24 contain similar language. Therefore, we will reverse the rejection of these claims for similar reasons.

DECISION

The Examiner's rejection of claims 1–17 and 19–24 under 35 U.S.C. § 101 is affirmed.

The Examiner's rejection of claim 5 under 35 U.S.C. § 112, second paragraph, is affirmed.

The Examiner's rejection of claims 1–17 and 19–24 under 35 U.S.C. § 103(a) is reversed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv).

Appeal 2015-001204
Application 13/160,910

AFFIRMED